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# SALE OF LAND TO SASKATCHEWAN VALLEY LAND CO.

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## Land Concerned

250,000 acres of even-numbered (homestead) lands along the line of the Qu'Appelle, Long Lake and Saskatchewan Railway Co. and among odd-numbered sections set aside for the purpose of the selection by the Railway Co. of its land grant.

## The Situation

Previous to the arrangement with the Saskatchewan Land Company people the following was the situation :—

(A) As to the Railway Co.—

1. An area of 3,500,000 acres of land had been set aside for the Qu'Appelle, Long Lake and Saskatchewan Railway Co. to select its land grant from. The area to which it was entitled was 39,000. acres.

2. The Company had refused to select its land grant from the lands set aside asserting these lands were not "fairly fit for settlement." The Railway Co. took practically none of the lands set apart for them except 128,000 acres that they sold to an English Company and they distinctly stated that in accepting these lands they did not acknowledge that they were fairly fit for settlement. This English Company two years ago applied to be allowed to re-convey these lands to the Government and take lands that were fairly fit for settlement.

The following official memo. explains the situation in regard to the Railway lands:

MEMO.—RE DAVIDSON COLONIZATION SCHEME.

"The odd numbered sections in the townships in the tract are reserved for the land grant of the Qu'Appelle, Long Lake and Saskatchewan Railway. The Railway refused until about a year ago to accept a large portion of the land reserved for its land grant and on account of the Railway Company's contention that a large portion of its land grant did not consist of land fairly fit for settlement, an examination of the lands on the ground by expert land inspectors was made both on behalf of the Government and the Company. This inspection included the odd numbered sections in 57 of the 76 townships in the tract now in question. The Railway Company as a result of its inspection rejected 70% as worthless, 19% were classed as doubtful or poor and of the remaining 11% though classed as accepted, the company refused to admit as to a large portion of it, that it consisted of lands fairly fit for settlement.

"The Government inspectors reported, that in addition to the lands which the Railway Company accepted, about 33% more should be accepted, the balance being classed as lands which the Railway Company might reject as unfit for settlement.

"The 19 townships not inspected were not then in the Railway Company's tract but were added later. The reason why they were not then included in the original reserve for the Railway Company was because the Company considered them of little or no value. The lands were available and the Company got all they applied for out of which to select.

"The Railway Company's inspection was made by Mr. R. F. Dodd, who has been well known in the Northwest as an expert land examiner for about twenty years.

"The result of his examination of the odd sections in the Colonization tract now in question is given above.

"In his report to the Railway Company, dated Dec. 5th, 1892, he says:—

"Block lying West of Long Lake and South of Tp. 35, we have:—

135 sections or about	88,320 acres	rated 4
270       "       "	172,800       "	" 4½
965       "       "	627,600       "	" 5

"Those rated 4 are fit for settlement.

"Those rated 4½ are special and are not fit for successful farming.

"Those rated 5 you will find described in detail as Sand Hill—Sand Ridges and swells—Gravel Ridges—Boulders and alkali flats, Worthless."

3. The Railway Co. had begun an action in the courts to compel the Government to give them what they were entitled to in regard to their land grant, viz: "Land fairly fit for settlement."

## (B) As regards the Country

1. For sixty-five miles along the Railway only three homestead entries had been granted prior to 1901 though the land had been surveyed as far back as 1882. These surveys had not been made in response to demands of settlers in the locality, as no application was ever received in the Department of the Interior for a survey of any of the townships concerned prior to 1902. Although the surveys have been made for 20 years and the Railway completed in 1890, there was practically no settlement. Settlers would not even enter for sections upon which Railway Stations had been located.

2. The Government had found itself unable to induce settlement in this area. Testimony in this regard is given by the General Colonization agent and the Commissioner of Immigration. The former wrote he had taken 11,000 settlers into the Saskatchewan District but had never been able to induce them to locate on the tract in question. The Commissioner of Immigration, Mr. Smith, in writing upon the subject of the settlement of this district in the early portion of 1902, stated that it had received such a bad name on account of the land being considered uncultivable that it was impossible, though officers under him had made an effort to secure settlement along this line of railway, to get people to leave the trains and locate or even make a fair examination. There did not appear to be a station or any buildings or accomodation for people throughout the whole distance, so that settlers going into the country were hardly in a position to make a fair examination.

Mr. Smith added that no crop had ever been grown in the district and that in view of the circumstances and the adverse criticism which the district had received, it was a wise move on the part of the Minister of the Interior to offer some special inducement to persons who were qualified to create settlement in this district.

This, of course, had a tendency to relieve the situation in regard to the various reports that were abroad that the people had to go such a long way to secure homesteads. Mr. Smith reports that of the large tide of immigration going into the country up to 1902 some persons felt called upon to go as far as 100 miles from a railway to secure homesteads,

3. Prospective settlers travelling along the railway got a bad impression of the whole country and in consequence the country got a bad name.

4. There were prospects of a vigorous effort being made in the courts to make the country's name worse.

5. A portion of the land in the district was known to be of good quality and of course this remained unsettled and unproductive because of the district's bad name.

6. When the legal action was entered by the Railway Co. the Government gave it authority to select its lands anywhere, and so there was a prospect that even if the country escaped a damaging and expensive lawsuit, a large quantity of first-class land would be selected by the Company which it was desirable the Government should retain for the public.

## The Arrangement

At this stage a proposition was made by A. D. Davidson, G. F. Piper, A. S. Warner, Geo. C. Howe, D. H. McDonald, and A. G. Adamson, who now constitute the Saskatchewan Valley Land Company. These people undertook to purchase the 839,000 acres of land grant due the Qu'Appelle, Long Lake and Saskatchewan Railway Co. and to select the land from the tract previously set aside for the Company and refused by it. But they wanted a solid block of land and asked the Government to sell them, in connection with this matter, 250,000 acres of homestead sections in the same area.

In May 1902 the proposition was accepted.

The Government on its part agreed to sell to the Land Company people 250,000 acres of even-numbered sections at \$1.00 per acre, subject to certain conditions.

Colonel Davidson and his associates "were to place 32 settlers in each township, that is, 20 settlers in each township on free homestead lands and an additional 12 settlers in each township on lands which they purchased from the Government. As soon as this was done, that is, when the 32 settlers were placed in each township, the Saskatchewan Valley Land Company was to have the right to purchase the balance of the even-numbered sections over and above the 20 quarter sections granted as free homesteads."

By virtue of this arrangement the following situation was brought about:—

1. The discontinuance of the legal action of the Railway Co. and the acceptance of the land grant in the area originally set apart.

2. The saving to the country of the good lands in other parts of the West which the Company would have otherwise selected.

3. The saving of the reputation of the country from the injuries it would sustain if the legal action had gone on.

4. A guarantee of the settling of 32 out of the 64 available even-numbered quarter sections in each township, which was included in the 250,000 acres sold, 20 out of the 32 quarter sections being free homesteads. This was equivalent to a guarantee of the placing of over 1,100 settlers in the area concerned.

5. The placing of the 839,000 acres of the Railway Company as well as the 250,000 acres sold by the Government in the hands of an energetic Company prepared to people the entire area without delay.

## The Price

It is understood that the Company paid the Railway Company \$1.75 per acre for an area of 839,000 acres to be selected by the Company out of a tract of 450 Townships or 3,500,000 acres, set apart for this grant, without any conditions.

The Government on the other hand disposed of 250,000 acres at \$1.00 per acre on settlement conditions, the company to select the grant in Township lots out of 76 Townships.

Under their purchase from the Railway Company they could select the lands or any portion of them in any part of the tract; in the case of the Government they were obliged to select a certain number of even-numbered sections, by Townships, after the conditions of settlement had been complied with.

The conditions imposed probably made the price at which the Railway Company sold its lands, an average of \$1.75 per acre, really less than the price of \$1.00 per acre plus settlement and other conditions, at which the Government sold the 250,000 acres. Moreover in this connection it may be pointed out that the Railway Co. had offered to sell their land grant back to the Government at the rate of \$1.25 per acre.

## The Result

Under the terms of the arrangement it was necessary that the Company should place 1046 settlers in the area before they could purchase the 250,000 acres.

1. It has already put in within the colonization area over 1100 homesteaders, who, (in August, 1903) have about 25,000 acres ploughed ready for crop. These settlers, Col. Davidson says, will average \$2000 each in wealth, equal to a total of 2 millions.

2. They have placed a German colony of 8,000 families on land outside the colonization area but in the Railway Co. land grant and 1200 more are expected next year.

3. They have established three large farms, one of which is breaking 5000 acres this year. The farms are: The Waddle Farm at Gervin, operated by Nebraska people who are the largest cattle feeders in America; S. G. Detchon's farm at Davidson, where a steam plough and 16 horses have been at work all season breaking land; the Maunsell Bros. farm at Hanley, at which a steam plough has been at work all summer breaking 1000 acres of land. There are dozens of farms on which 150 to 200 acres have been broken. It is expected by the Company that 100,000 acres more will be brought under cultivation next year.

4. When they began there was not a building for 50 miles along the Railway north of the section house at Craik. Now there are four prosperous villages.

5. They have distributed 185,000 pieces of literature advertising Western Canada.

6. They have spent over \$50,000 in advertising, etc., and are still pushing the work. They are now running advertisements in 350 leading country weekly newspapers in a half dozen of the Central Western States.

7. They have 2,200 agencies for the sale of their lands and colonization work, scattered over 10 different states. Their influence has helped a great deal in the fight against the active campaign being waged in the United States against immigration to Canada.

8. The settlers they have brought in are almost entirely American farmers of the best class. They are purchasing lands as well as taking up homesteads.

9. The Company gave the country a great advertisement by an excursion they organized of the leading bankers, grain men and newspapermen, the excursionists being taken through the tract of land the Company is populating. It was a run from Chicago to Prince Albert.

10. The Company is not only selling land to settlers, but it is procuring people to locate on Government homesteads even outside of the colonization area. In fact, Col. Davidson asserts, that outside of the colonization area and outside of the German Colony, they have placed over 1000 settlers on homesteads.

## What Conservatives Did in regard to Land Companies

(A)-1. Under Dominion Land regulations they granted colonization concessions to 26 companies and individuals for a period of 5 years.

2. Among the choice lands of the West 2,842,742 acres were set apart for them.

Nominally they were to pay \$2 per acre for odd-numbered sections in their tracts. Really they were to pay only \$1 per acre (and this at the time of the boom in Western lands). This reduction in the rate was effected through a provision respecting rebates to be allowed the companies.

Various settlement conditions were imposed on the Companies, but as these conditions were not carried out, it is only necessary to examine what was really done.

The following is a summary statement of the final settlement made with the Companies.

Area set apart for them	: : : : : 2,842,742 acres.
Area sold	: : : : : 1,421,371 "
Paid on account	: : : : : \$731,783.92
Rebates, on Settlers	: : : : : \$204,000.00
Rebates, on Expenses	: : : : : 322,158.55
Total Amount Credited	: : : : : \$1,257,942.47
Final Settlement, in Acres	: : : : : \$438,208
in scrip	: : : : : \$375,518.33
Settlers placed	: : : : : 1243

None of the Companies carried out the terms of their contracts in full. Nine of them did not place any settlers on the land whatever. The other 17 placed a few settlers, the lowest number being four and the highest placed by any of the concessionaires being 245.

The total number of settlers placed on the lands in connection with the 26 concessions amounted to 1243.

Thus for tying up for five years 2,842,742 acres of the choice lands of the West, the country got 1243 settlers.

But special consideration was shown the Companies in the final settlement which the Conservative Government made with them.



These Companies failed to carry out the provisions of their contracts and left themselves open to the forfeiture of \$160 rebate for every settler fewer than the number they should have placed on the land.

The penalty was not imposed. Moreover the Government allowed them the full \$160 per settler placed which was to have been allowed only if they had carried out the terms of their contracts.

The Companies paid to the Government in cash on account of lands \$731,783.92. They were allowed in the final settlement a rebate of \$160 per settler, equal to \$204,000.

But the Government did not stop there but showed even greater consideration for them. It made an allowance to them on account of various extraordinary expenditures they had made in connection with their colonization projects.

Among these expenditures were items for the construction of saw mills, grist mills, advertising, the building of roads and bridges, and establishing stage and post lines.

If you take into consideration all the facts in regard to the final settlement with the Companies, you will find that not only were the penalties not imposed but that the settlement made was really equivalent to giving the Companies land at 85c. per acre, and that the 1243 settlers placed on the land by the Companies cost the country \$423 each.

## A Comparison

The Conservative Government authorized 26 Colonization Companies.

The Liberal Government authorized one.

The Conservative Government set aside 2,842,742 acres picked land for these Companies.

The Liberal Government set aside 250,000 acres rejected lands.

The Conservatives set aside the choice land of the West.

The Liberals set aside land against which there was entered a legal action to prove it was not fairly fit for settlement.

The Conservatives never intended to charge the Companies more than \$1 per acre and as a matter of fact virtually paid them an exorbitant price for the efforts they made to colonize.



The Companies authorized by the Conservatives failed to carry out the terms of their contracts and instead of a penalty being imposed the Companies were treated with extraordinary consideration.

The Company authorized by the Liberals carried out the terms of its contract practically in one year.

# TIMBER

In connection with the subject of the administration of the public domain it should be pointed out that maladministration of the rankest kind characterized the Conservative regime. This is especially the case in the matter of the administration of the timber lands of the West. A comparison of the Liberal administration and the Conservative administration in this connection constitutes a highly satisfactory tribute to the Liberals and a corresponding condemnation to the Conservatives. Practically nothing was done in regard to the disposal of Western timber berths until the Conservatives came into power at the end of the year 1878.

Previous to this the Conservatives had disposed of 260 square miles of timber lands and the Liberals 150 square miles but in these cases the financial arrangements were satisfactory. However in 1879 a veritable carnival began under the Conservatives.

## A Gift Business.

They evidently decided that these lands should be parcelled out free to the leading workers of their party. No consideration was shown for the public interest or the public revenue so long as party workers were benefited. To-day under the Liberals all timber berths are put up at public competition, after extensive advertising, and sold to the highest bidder. Under the Conservatives for years the general policy pursued was to make free grants to political friends who applied for them. In regard to the disposal of timber berths it has been the practice to charge holders of the berths certain rental fees and certain dues on the timber cut. Even the Conservatives did not dare dispense with these two charges. It is in regard to the handing over of the timber berths that they displayed their reckless prodigality. In the early years parties applying for timber berths had to pay a consideration for the berth in addition to the dues and rents. This consideration was known as a bonus. After 1878 the Conservatives gave away large tracts of timber lands to political friends with-

out public competition and without exacting any bonus payments whatever. The lands were given in consideration of the dues and rents alone. The result of this of course was that the country was done out of a large amount of revenue and party friends of the Conservatives were allowed to the detriment of the country, to hold these timber lands for purely speculative purposes without having to make any investment whatever.

### Some Who Received Berths.

To give some idea as to how this timber was dealt with it might be well to quote from the list of persons who secured timber berths, which were acquired without any competition.

Shields, Haggart & McLaren ..... 100 miles.

This included the Honourable John Haggart, Conservative Member in the House of Commons and who was afterwards Minister of Railways, and the Honourable Peter McLaren, Conservative Senator.

This same firm was also granted a berth of 50 miles on the Shell River.

Hiram Robinson ..... 50 miles.

Conservative Candidate for the City of Ottawa in 1896.

Charles Magee ..... 50 miles.

Leading Conservative in Ottawa and President of the Bank of Ottawa.

D. E. Sprague ..... 50 miles.

Conservative Politician and unsuccessful Candidate for the local legislature in Winnipeg on one or two occasions.

Thomas Marks ..... 33 miles.

Leading Conservative Politician in Port Arthur.

T. W. Currier ..... 50 miles.

Leading Conservative Politician in Ottawa.

Dr. R. G. Brett ..... 50 miles.

Former Premier in the North-West Territories and Conservative Politician at Banff.

Honourable W. Muirhead ..... 50 miles.

Conservative Senator.

Dr. W. H. Montague	50 miles.
Conservative Member for Haldimand for many years, and Minister of Agriculture.	
G. W. Monk	50 miles
Formerly Conservative M.P.P. for Carleton.	
George Morton	5.75 miles.
Unsuccessful Conservative Candidate for House of Com- mons in Leeds and afterwards unsuccessful Candidate for local Legislature in Manitoba.	
Adam Brown	50 miles.
Formerly Conservative Member for Hamilton and after- wards Postmaster in Hamilton.	
Richard Hardisty	50 miles.
Conservative Senator from North-West.	
G. H. Bradbury	50 miles.
Conservative Politician and unsuccessful Candidate for Selkirk.	
Amos Rowe	50 miles.
Former proprietor of the <i>Winnipeg Times</i> and after- wards Collector of Customs at Calgary.	
Thomas F. Wallace	50 miles.
This is supposed to be a brother of the Honourable Clark Wallace, and the gentleman who was the unsucces- ful Candidate (Conservative) to succeed his brother as Member for West York.	
James A. Gouin	50 miles.
Conservative Politician and afterwards made Postmaster at Ottawa.	
Moore and McDowall	50 miles.
Mr. McDowall was the Conservative Member for Sas- katchewan for 8 or 10 years.	
McLeod Stewart	50 miles.
Ex-Conservative Politician and Mayor of Ottawa.	
Shields, Haggart, McLaren & Nichol	50 miles.
John Rochester	48 miles.
Conservative Member for Carleton County.	

M. K. Dickinson.....	50 miles.
Conservative Member for Russell in the House of Commons.....	
Joseph Kavanagh.....	50 miles.
Prominent Conservative Politician in Ottawa.....	
Jacob Erratt.....	50 miles.
Conservative Politician in Ottawa and Ex-Mayor.....	
F. J. Clark.....	50 miles.
Secretary of the Conservative Association at Winnipeg.....	
D. Tisdale.....	52 miles.
For many years Conservative Member for South Norfolk, and Minister of Militia in Sir Charles Tupper's Government.....	
N. F. Davin.....	50 miles.
Conservative Member for West Assiniboia in the House of Commons for about 13 years.....	
George H. Perley.....	50 miles.
Leading Conservative Politician and unsuccessful Candidate in Russell and Argenteuil.....	
D. W. Cummings.....	50 miles.
Leading Conservative in Birtle, Man.....	
C. C. Colby.....	50 miles.
For many years Conservative Member in the House of Commons for the County of Stanstead, Quebec, and also a Member of the Conservative Administration.....	
J. G. H. Bergeron.....	50 miles.
For twenty years Conservative Member for Beauharnois.....	
W. E. Sanford.....	50 miles.
Conservative Senator from Hamilton.....	
Honourable Peter McLaren.....	50 miles.
Conservative Senator.....	
Honourable G. W. Howlan.....	50 miles.
Conservative Senator from Prince Edward Island.....	
T. R. Jones.....	50 miles.
Conservative Politician of St. John, New Brunswick.....	

John C. Sproule.....	50 miles.
Conservative Politician in Winnigeg.	
William Elliott.....	50 miles.
Former Conservative Member for Peel County, Ontario.	
D. H. Macdowall.....	50 miles.
For many years Conservative Member for Saskatchewan.	
John M. Farrow.....	50 miles.
Conservative Member for West Huron.	
W. B. Scarth.....	50 miles.
Former Conservative Member for Winnipeg.	
H. Robillard.....	50 miles.
Conservative Member for the City of Ottawa.	
William Richardson.....	50 miles.
Formerly Conservative M.P.P. for Leeds.	
Walter Beatty.....	50 miles.
Conservative Member for Leeds.	
H. A. Ward.....	50 miles.
Conservative Member in the House of Commons for East Durham.	
N. F. Paterson.....	50 miles.
Conservative Politician and Candidate in North Ontario.	
Thomas Birkett.....	50 miles.
Conservative Politician and present Member for Ottawa.	

### How the Policy Worked Out.

To see how this policy worked out look at the record for some of the Conservative years. In 1880 twelve timber berths of a total area of 489 square miles were granted without competition and without the payment of any bonus. One berth of an area of 72.5 square miles was disposed of at a bonus of \$1,450. Now if the twelve other berths had been sold at a similar rate the country would have got nearly \$10,000 therefrom. As it was the country got nothing.

Among those who got timber limits in 1880 without competition were Shields, Haggart and McLaren who got 100 square miles.

In 1881 twenty-one berths of a total area of 995.25 square miles were granted by Order-in-Council without competition. One berth containing 100 square miles was disposed of at a bonus of \$2,013. If the other twenty-one berths had also been disposed of for a corresponding bonus the country would have got about \$20,000 for them. Among those who got timber lands without competition in 1881 were Shields, Haggart, McLaren & Nichol who got 50 square miles.

In 1882 the Conservatives disposed of timber berths by wholesale. They granted 98 berths of a total area of 4,642.60 square miles by Order-in-Council for the consideration of the rentals and dues only.

There were no grants at all on a bonus basis. If you figure out what these berths would have brought the country in bonus money on the basis of what berths brought the previous year you will find the public treasury would have received nearly \$100,000 instead of nothing as was really the case.

Among those who received berths in 1882 without competition were the following, mentioned in the general list given previously:—

Hiram Robinson, Chas. McGee, Geo. H. Bradbury, Amos Rowe, Thos. F. Wallace & Co., Jas. A. Gouin, Moore & Macdowall, Muirhead, Call & Aske, McLeod Stewart, Shields, Haggart, McLaren & Nicol, John Rochester, G. L. Dickinson, Mk. Dickinson, Wm. Muirhead, Jos. Kavanagh, Jacob Erratt, F. J. Clark, D. Tisdale, N. F. Davin, Geo. H. Perley.

## The Banner Year.

The year 1883 was the banner year of the Conservative timber policy. In that year 209 timber berths of a total area of 10,326.36 square miles were granted for the consideration of rental and dues only. In the same year 29 berths of a total area of 1,172.14 square miles were acquired at public competition for a total of \$66,735.25 bonus money. Had the 209 berths given for rental and dues only been disposed of by public competition, and brought the same prices as those that were disposed of by competition, the country would have got a revenue from them of nearly \$600,000. Among the names that figure in the 1883 list are the following:—

C. C. Colby, J. G. H. Bergeron, W. E. Sanford, Thos. Clark, G. W. Howlan, T. R. Jones, John C. Sproule, D. H. Macdowall, Wm. Morton, W. B. Scarth, H. Robillard, Jos. Kavanagh, D. Tisdale, T. L. Dickinson.

In connection with the record of the two years 1882 and 1883 it should be borne in mind that there was a general election in June, 1882.

In 1884 the Conservatives granted 150 berths of a total area of 6,861.25 square miles for rental and dues only, and in 1885 thirteen berths of an area of 536 square miles. This reduction in numbers was undoubtedly due to the energetic steps taken by the Liberals in Parliament to expose the Conservative Policy and to insist on the public interest being considered. So strongly did the Liberals fight in this connection that they forced a change in Conservative methods. At first the Conservatives would only partially bend before the demands of public opinion as persistently brought to their attention by the Liberals. In May 1884 they passed an Order-in-Council providing that in certain specified districts timber berths would be granted only at public competition. But they finally had to yield to public opinion so in 1885 another Order-in-Council was passed providing for public competition in regard to the balance of the Western timber areas. The two Orders-in-Council constituted a signal victory for the Liberal opposition of that time.

## LIBERAL ADMINISTRATION

It is a well known fact that the Liberals have administered the timber lands in accordance with the principles they advocated when in opposition. The result has been of great benefit to the country. Look at the financial end for instance. Through the Liberal Government disposing of timber lands only at public competition the public treasury has received a revenue which it was deprived of under the Conservative policy of giving away many timber berths without the exacting of bonus payments. The figures in regard to these bonuses charged for timber berths during the Liberal and the Conservative régimes bear remarkable testimony to the good administration of the Liberals. It was with respect to the dispensing with bonus payments that the Conservatives were able to help their party friends. When you summarize their record you will be astounded that even the Conservatives dared to so deal with public property. Here is a summarized comparative statement, the totals being given in round numbers :—

Area disposed of	Amount of bonus charged
Under Conservatives, 29,500 sq. miles	\$127,000
Under Liberals 3,800 "	245,000

From the above you get the following —

Average price per square mile under Conservatives, about : : \$4.  
 Average price per square mile under Liberals, about : : : \$64.



To make this more clear look at the following:—

## Why Public Revenues have Increased

Conservative administration of the timber lands of the West was a scandal and a disgrace. It proved a boon to party workers and favorites but an injustice to the people of Canada. Liberal administration on the other hand has redounded to the benefit of the people and the credit of the party.